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RECORDATION NO. 26482 FILED
AUG 04 '06 12-30 PM
SURFACE TRANSPORTATION BOARD

August 4 2006

New Recordation No.

Dear Mr. Williams:

On behalf of Flex Leasing I, LLC, I submit for filing and recording under 49 U.S.C. § 1131 (a) and the regulations applicable thereunder, executed counterparts of a primary document, not previously recorded, entitled Memorandum of Lease ("Lease") dated as of July 20, 2006.

The parties to the enclosed Lease are:

Flex Leasing I, LLC - LESSOR
Suite 730
221 Main Street
San Francisco, CA 94105

Progress Fuels Corporation - LESSEE
200 Central Ave.
St. Petersburg, FL 33701

The said Lease, among other things, acts to lease the equipment listed in Annex A thereto by the Lessor to the Lessee and should be recorded under a new number.

The equipment covered by the instant Lease is as identified in Annex A thereto, namely 183 coal hopper cars, FLCX 100-193, 195-255 and 257-284.

A short summary of the Lease to appear in the Surface Transportation Board Index is as follows:

"Lease of 183 coal hopper cars, FLCX 100-193, 195-255 and 257-284, see Annex A."

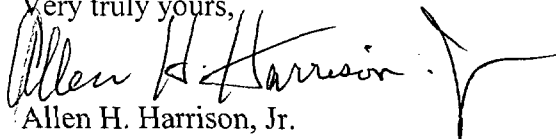
Please enter under this Recordation No. the following cross index reference:

"See Recordation No. 21888-U."

Enclosed is a check in the amount of sixty eight (\$68.00) dollars in payment of filing fee (\$34.00) and the cross-indexing fee (\$34.00).

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,

A handwritten signature in black ink, appearing to read "Allen H. Harrison, Jr.", followed by a long horizontal flourish.

Allen H. Harrison, Jr.

Attorney for Flex Leasing I, LLC,
for the purpose of this filing.

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Enclosures

BY HAND

8212-020


AUG 04 '06

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MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

FLEX LEASING I, LLC, a Delaware limited liability company ("Lessor"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, as successor lessor by assignment from Flex Leasing Corporation, a Delaware corporation ("Flex"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, is a party to a certain (unfiled) lease agreement dated as of March 29, 2005 (the "Lease") with **PROGRESS FUELS CORPORATION** ("Lessee"), having its chief executive office at 200 Central Avenue, Petersburg, Florida 33701, covering the railcars listed on Annex A attached hereto.

Dated as of July 20, 2006**FLEX LEASING I, LLC**
Name: Janice M. Wickham
Title: Vice President

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On this 20 day of July, 2006, personally came before me, Janice M. Wickham, who, being by me duly sworn, says she is a Vice President of Flex Leasing I, LLC and that said writing was signed on the date hereof by her on behalf of said company by its authority duly given. The said Vice President acknowledged the execution of the said writing to be the act and deed of said company.

Witness my hand and notarial seal this 21 day of July, 2006.

SEAL



Notary Public

My Commission Expires:

EDWINA SELLAN
Notary Public, State of New York
No. 01SE5050605
Qualified in New York County
Certificate Filed in New York County
Commission Expires October 16, 2009

ANNEX A

Description of Equipment

One hundred eighty-three (183) 4,200 c.f. aluminum bottom discharge coal hopper cars,
numbered:

FLCX 100 through 193 inclusive
FLCX 195 through 255 inclusive
FLCX 257 through 284 inclusive

[Progress Fuels Corporation]